

**2004 Household Goods Carriers  
Annual Report Analysis  
With  
Comparison of Financial and  
Operational Statistics  
For the Years 2000 through 2004**

---

**Research & Analysis Section  
Transportation Division**

Illinois Commerce Commission  
527 East Capitol Avenue  
Springfield, Illinois 62701  
[www.icc.illinois.gov](http://www.icc.illinois.gov)



November 2005

## TABLE OF CONTENTS

|  |           |
|--|-----------|
| <b>INTRODUCTION .....</b>  | <b>2</b>  |
| <b>LOCATION OF CARRIERS .....</b>                                  | <b>3</b>  |
| <b>PART I - ALL FOR-HIRE TRUCKING OPERATIONS .....</b>             | <b>4</b>  |
| <b>PART 2 - ILLINOIS INTRASTATE HOUSEHOLD GOODS ACTIVITY .....</b> | <b>6</b>  |
| INTERSTATE VS. INTRASTATE BUSINESS ACTIVITY.....                   | 6         |
| ILLINOIS INTRASTATE HOUSEHOLD GOODS REVENUE AND SHIPMENTS: .....   | 7         |
| STORAGE: .....   | 9         |
| <b>SUMMARY .....</b>   | <b>10</b> |

## INTRODUCTION

Illinois Commercial Transportation Law authorizes the Illinois Commerce Commission's Transportation Division to regulate the operating authorities, rates, and business practices of intrastate household goods moving companies. As required by Commission regulation, all licensed Illinois household goods carriers must submit to the Commission an annual report that includes financial and operational information. Although annual reports are not audited and the information in them is accepted in good faith, the reports are reviewed to assure that they are complete and that the information in them is financially reasonable and operationally feasible.

Annual reports filed by licensed motor carriers are public documents and are available upon request. Analysis of annual report information from prior years is available on the Commission web site <http://www.icc.illinois.gov>.

Carriers that fail to file a properly completed annual report by the May 15<sup>th</sup> statutory filing date are given a 30-day written notice prior to revocation of their household goods authority. Carriers may request a one-time 60-day extension in time to file the report.

The Annual Report Form follows this analysis. Part 1 requests information for all transportation activities including household goods moves, storage, general freight and other transportation operations. Part 2 requests information about Illinois intrastate household goods activity. The mover reports revenue derived from all intrastate household goods shipments and the number of moves made within Illinois, both local moves using an hourly rate and moves charged by weight and distance. The mover also indicates if storage facilities are provided. Part 3 requests the names of each stockholder, partner or owner with telephone numbers and percentage of ownership, as well as the company's federal employer identification number. If a change in ownership of the company has occurred during the year, the mover is required to check the appropriate box. Finally, the annual report requests that the individual filing the report provide their name, title, telephone number, fax-number, email address and signature, indicating that the information submitted is accurate.

The following analysis first describes the location of the licensed moving companies and then summarizes the data submitted for 2004, beginning with Part 1 of the Annual Report and proceeding to Part 2. Included within the discussion of the information for each part of the Annual Report is a comparison of 2004 information to prior years' data.

## LOCATION OF CARRIERS

Of the 351 licensed movers, 304 are “active” carriers, that is, they are actively engaged in Illinois intrastate household goods operations, from point to point within Illinois. Most of these active intrastate moving companies are located in Illinois, but 23 companies, 7.6 percent, are headquartered outside of Illinois. Table 1 captures the number of active intrastate movers by county, showing that almost 5 percent of the licensed movers in Illinois are the sole HHG company in their county: 15 counties have only one carrier. Cook County has the largest number of active movers with 141 companies or 46.4 percent of the industry. Another 61 companies, 20 percent of the 304 active movers, are headquartered in four collar counties in northeastern Illinois: DuPage, Kane, Lake and Will. The remaining 28.6 percent of active movers are spread throughout 18 counties of Illinois.

**Table 1: Distribution of Active Intrastate Movers by County**

| <b>Number of Moving Companies per County</b> | <b>Counties</b>  | <b>% of Moving Companies</b> |
|--|--|------------------------------|
| 1  | Adams, Bureau, Edgar, Effingham, Grundy, Jefferson, Lee, Marion, Massac, McDonough, Morgan, Perry, Tazewell, Whiteside, Williamson | 4.9%                         |
| 2  | Fulton, Jackson, Kendall, Knox, LaSalle, Macoupin, Madison, Stephenson   | 5.3%                         |
| 3  | DeKalb, Macon, McLean, Rock Island   | 3.9%                         |
| 4  | St. Clair  | 1.3%                         |
| 6  | Champaign, McHenry, Sangamon   | 5.9%                         |
| 7  | Peoria, Winnebago  | 4.6%                         |
| 8  | Will   | 2.6%                         |
| 12   | Lake   | 3.9%                         |
| 13   | Kane   | 4.3%                         |
| 28   | DuPage   | 9.2%                         |
| 141  | Cook   | 46.4%                        |
| 23   | Non Illinois:<br>Indiana, Missouri, 6; Wisconsin, 3;<br>Michigan, Minnesota & Iowa, 2;<br>California, New Jersey, 1;               | 7.6%                         |

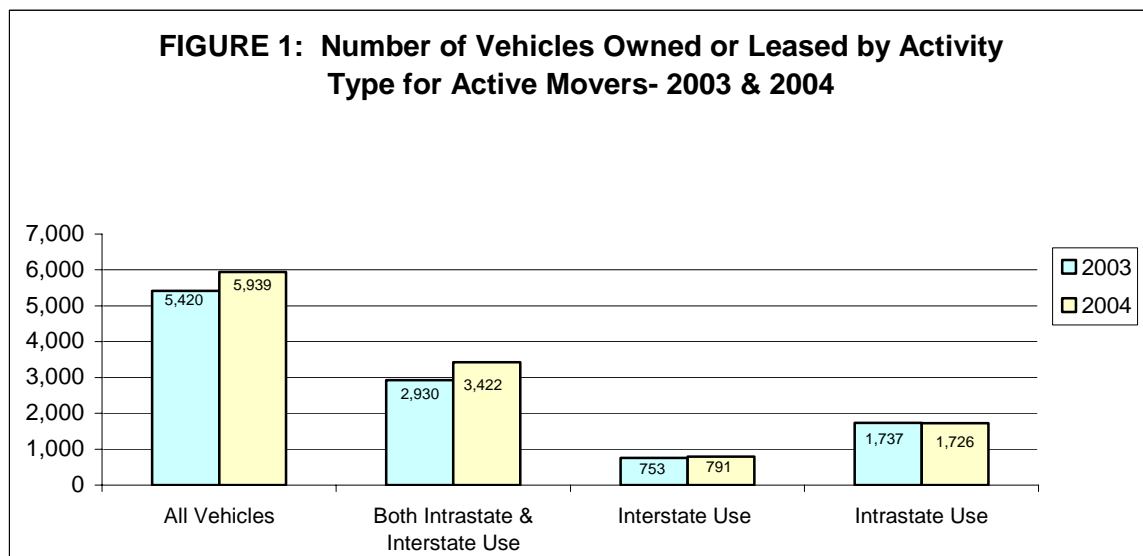
The next section of this analysis discusses operational and financial information reported in Part 1 of the 2004 Annual Reports for 351 licensed household goods carriers.

## PART I - ALL FOR-HIRE TRUCKING OPERATIONS

In Part 1 there is no distinction between interstate or intrastate household goods, general freight hauling or other for-hire transportation operations conducted by the carrier. This part of the annual report requests information on the motor carrier's overall operations with questions regarding the number of trucks and their use in intrastate and/or interstate activity, total miles traveled, number of employees and total company revenue and expense.

Out of 351 carriers licensed to transport household goods, 11 reported no for-hire transportation activity of any kind. The remaining 340 companies employed 10,121 people, generated \$1.4 billion in total for-hire transportation revenue and logged 453 million miles for the year or 76,398 miles per truck.

Figure 1 shows that the total number of vehicles used by active carriers increased 9.6 percent in 2004 with a 16.8 percent increase in the number of trucks used for both intrastate and interstate activity, a 5 percent increase in the number of trucks used only for interstate activity, but a .6 percent decrease in the number of trucks used only for intrastate moves.

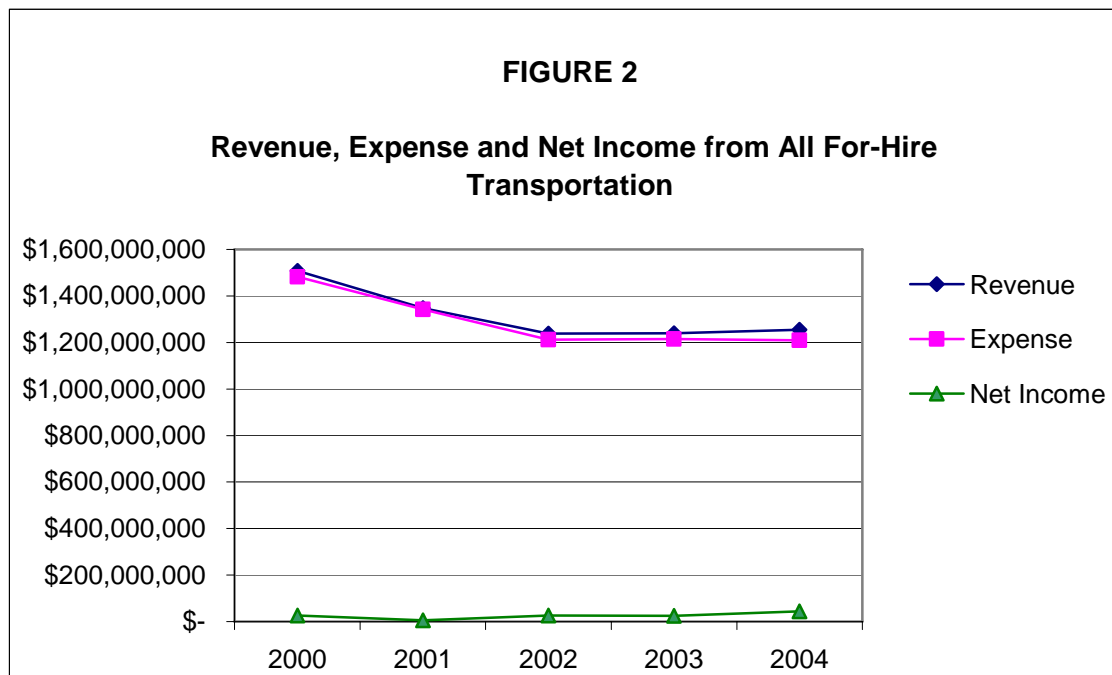


Total company revenue, expense and net income for all operations, including but not limited to intrastate household goods moves, for active movers from 2000 through 2004 is shown in Table 2. Dividing total operating expense by total operating revenue shows the operating ratio for the industry. The higher the ratio, expressed as a percent, the smaller the operating profit from operations. The

ratios, shown in Table 2, range from 99.6 percent in 2001 to 96.5 percent in 2004. In 2004, revenue increased and expense decreased, so the industry operating ratio improved, 1.5 percent from 98 percent in 2003.

| <b>Table 2: Revenue, Expense &amp; Net Income From Operations For Intrastate Movers</b> |                  |                  |                  |                  |                  |
|---|------------------|------------------|------------------|------------------|------------------|
| <b>2000-2001-2002-2003-2004</b>   |                  |                  |                  |                  |                  |
|   | <u>2000</u>      | <u>2001</u>      | <u>2002</u>      | <u>2003</u>      | <u>2004</u>      |
| Revenue   | \$ 1,508,397,841 | \$ 1,348,151,621 | \$ 1,237,372,983 | \$ 1,239,417,447 | \$ 1,254,220,534 |
| Expense   | \$ 1,482,160,235 | \$ 1,342,220,607 | \$ 1,211,715,477 | \$ 1,214,195,883 | \$ 1,209,924,152 |
| Net Income  | \$ 26,237,606    | \$ 5,931,014     | \$ 25,657,506    | \$ 25,221,564    | \$ 44,296,382    |
| Operating Ratio   | 98.3%            | 99.6%            | 97.9%            | 98.0%            | 96.5%            |

Figure 2 graphs the average revenue, expense and net income for total company operations showing the pattern of growth and decline for active movers. The improvement in net income is a reflection of the improved operating ratio.

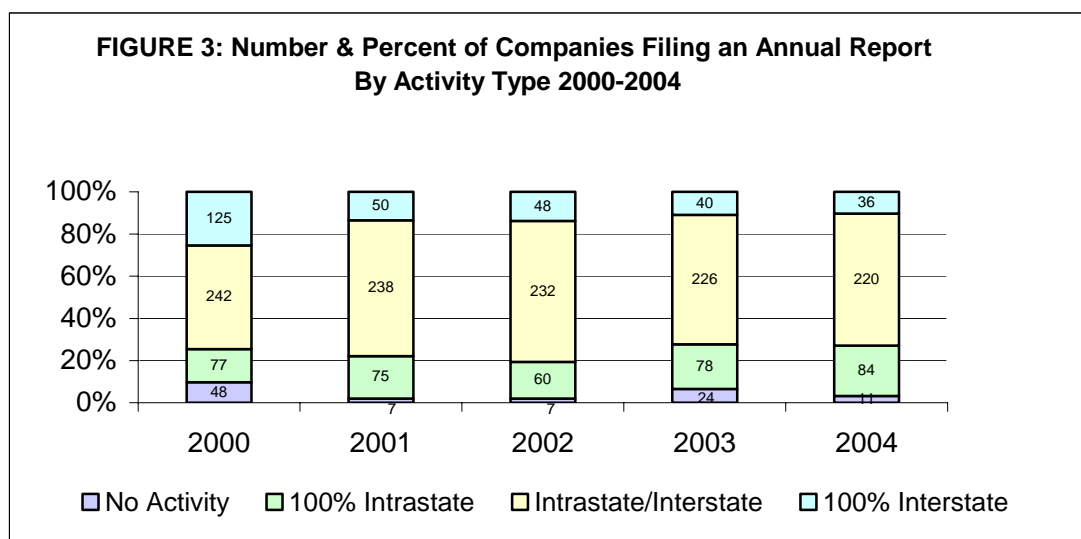


The next section of this analysis, after a comparison of interstate and intrastate business activity for all movers, discusses Illinois intrastate household goods activity as reported in Part 2 of the 2004 Annual Reports for 304 licensed household goods carriers active in intrastate moves from point to point within Illinois.

## PART 2 - ILLINOIS INTRASTATE HOUSEHOLD GOODS ACTIVITY

### Interstate vs. Intrastate Business Activity

Licensed movers actively provide different levels of intrastate moving service. Figure 3 shows for 2004 that 220 of the licensed carriers, or 62.7 percent, report both interstate and intrastate activity and 84 carriers, or 23.9 percent, are engaged exclusively in intrastate business activity. Together, 304 companies, or 86.6 percent of the licensed carriers provided some type of intrastate moving services. The total of 36 companies, or 10.3 percent, who engage only in interstate moving activity and 11 household goods carriers, or 3.1 percent, who report no moving activity for the year 2004 combined makes 47 carriers, or 13.4 percent, of the licensed carriers did not provide intrastate services in 2004.

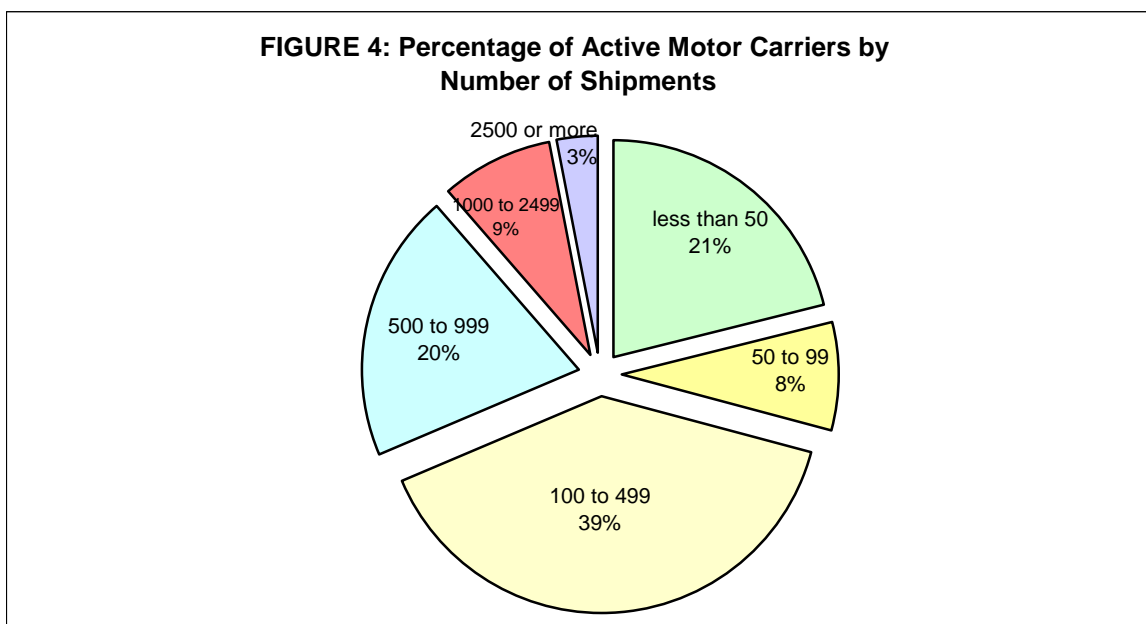


Looking across years, the number of companies providing only interstate moving services decreases in both number of companies and percent of the total industry they represent. In 2000, 125 companies, or 25 percent of the carriers, provided only interstate moving services; in 2001 the number dropped to 50 companies, or 13 percent and in 2004 only 36 companies, or 10 percent, conduct solely interstate moves. At the same time, the number of active carriers earning 100 percent of their revenue from Illinois intrastate shipments also decreased from 75 in 2001 to 60 in 2002, but rebounded to 78 carriers in 2003 and grew to a five year high of 84 in 2004. Since 2001 84 to 86 percent of the industry is involved in intrastate moves.

### Illinois Intrastate Household Goods Revenue and Shipments:

In 2004, the 304 active carriers report that 93.3 percent of all intrastate shipments (139,860 of 149,950) were hourly rated shipments, and 10,090 shipments, or approximately 6.7 percent of the total intrastate moves were weight distance shipments. However, these numbers cannot be compared to prior years because beginning March 1, 2004 hourly rates apply not only for moves less than 35 miles but also for moves entirely within Cook, Dupage, Kane, Kendall, Lake, McHenry and Will counties.

Figure 4 reflects the percentage of companies by total number of shipments made for the year 2004. The majority of active carriers, 68 percent, provided fewer than 500 intrastate shipments of which 64 carriers or 21 percent reported less than 50 intrastate shipments for the year. Only 12 percent or 35 carriers reported making more than 1,000 intrastate shipments last year of which 9 carriers reported 2,500 or more shipments. The distribution of companies' shipments parallels the activity reported in the past.



With almost 150,000 for-hire household goods shipments within Illinois in 2004 generating approximately \$ 111.6 million in annual revenue, the average consumer cost was \$745 per move. Figure 5 shows these costs (average revenue per shipment for moving companies) rebounded from a decline in 2003.

In 2004 intrastate revenue is higher than it was in 2003 and the number of shipments is lower, so average revenue per move has increased. However, three companies report substantial declines in the number of moves and another company with over 3,000 moves in 2003 is not included in this analysis. Most

likely the number of moves reported in 2003 is overstated and if corrected, the average revenue per move in 2003 would increase.

In 2004 the median (middle) revenue per shipment of \$731 is lower than the average revenue per shipment of \$745, so more companies' revenue per move is higher than the average revenue per move. For this to happen companies are either reporting more revenue (with a fixed number of moves) and/or fewer moves (with a fixed amount of revenue).

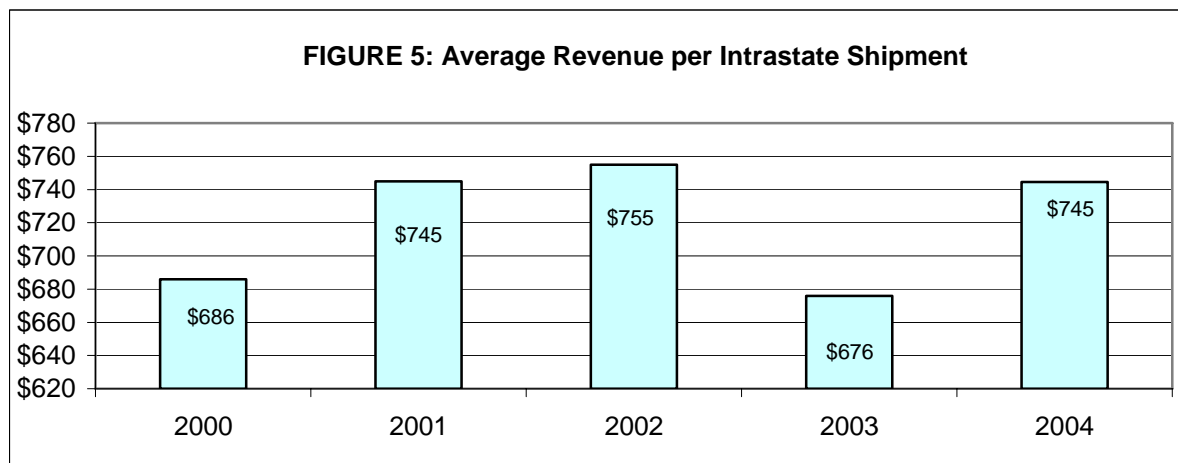
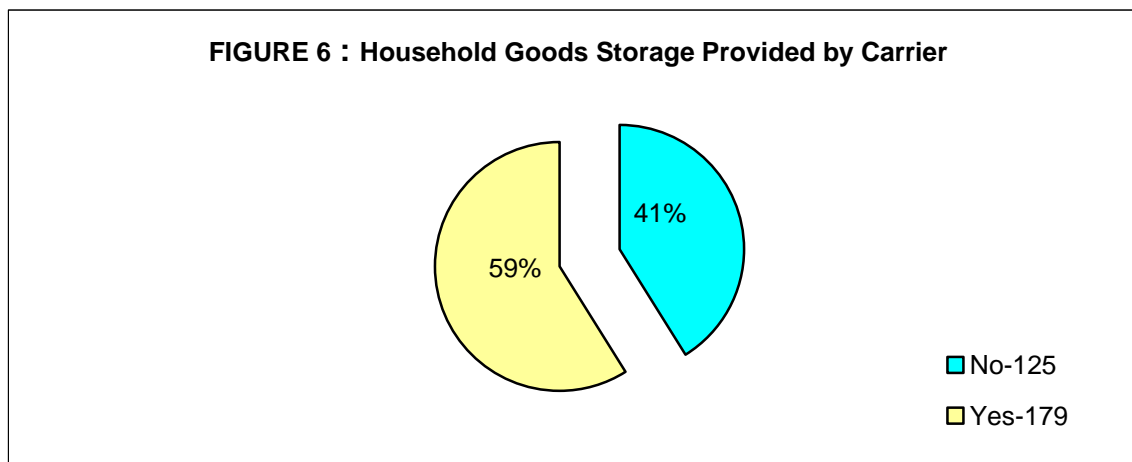


Table 3 shows the total number of intrastate shipments as well as the intrastate revenue generated by the top five percent of the carriers based on number of shipments. The last column indicates ranking based on intrastate revenue. The top 5 percent, or 15 carriers, account for 30 percent of all intrastate shipments made during calendar year 2004 and 27 percent of all intrastate revenue generated for 2004. Ten companies have been in the top 5 percent for the last five years.

| Table 3: Top 5 % Active Moving Companies Based on Total Shipments |                                       |                      |       |         |                    |      |
|---|---------------------------------------|----------------------|-------|---------|--------------------|------|
| Rank  | 2004<br>Company                       | INTRASTATE SHIPMENTS |       |         | INTRASTATE REVENUE |      |
|   |                                       | Total                | Local | WT-DIST | Dollars            | Rank |
| 1   | MIDWAY MOVING & STORAGE, INC.         | 8380                 | 8360  | 20      | \$ 4,530,906       | 2    |
| 2   | GOLAN'S MOVING AND STORAGE, INC.      | 5428                 | 5428  | 0       | \$ 4,741,158       | 1    |
| 3   | BREDA MOVING COMPANY, INC.            | 3600                 | 3550  | 50      | \$ 2,480,000       | 5    |
| 4   | FEDERAL WAREHOUSE COMPANY             | 3003                 | 1801  | 1202    | \$ 282,951         | 114  |
| 5   | PUBLIC STORAGE PICKUP & DELIVERY, LP  | 2958                 | 2958  | 0       | \$ 280,468         | 115  |
| 6   | EZ MOVERS, INC.                       | 2878                 | 2878  | 0       | \$ 1,885,358       | 8    |
| 7   | SAMSON CHICAGOLAND MOVERS, INC.       | 2716                 | 2436  | 280     | \$ 1,583,400       | 12   |
| 8   | AARON BROS. MOVING SYSTEM, INC.       | 2700                 | 2700  | 0       | \$ 790,006         | 37   |
| 9   | REEBIE STORAGE & MOVING COMPANY, INC. | 2624                 | 2612  | 12      | \$ 3,822,000       | 3    |
| 10  | SORAGHAN MOVING & STORAGE, INC.       | 2240                 | 2240  | 0       | \$ 1,740,080       | 9    |
| 11  | ALL CHICAGOLAND MOVING & STORAGE COMP | 2050                 | 2000  | 50      | \$ 3,016,000       | 4    |
| 12  | AFFORDABLE MOVING CO., INC.           | 2007                 | 2007  | 0       | \$ 2,259,878       | 6    |
| 13  | KENNEY'S DELIVERY, INC.               | 1980                 | 1943  | 37      | \$ 667,349         | 45   |
| 14  | ALL MY SONS MOVING & STORAGE, INC.    | 1753                 | 1726  | 27      | \$ 1,443,242       | 17   |
| 15  | ALEXANDER'S MOVERS, INC.              | 1572                 | 1572  | 0       | \$ 621,544         | 49   |

### Storage:

Carriers that provide household goods storage for their customers are licensed by the Illinois Department of Agriculture, Bureau of Warehousing. In Part 2 of the annual report carriers indicate to the Commission if they provide storage for household goods. Figure 6 captures the carriers' responses, showing that 41 percent do not provide storage and 59 percent do offer storage for household goods.



## SUMMARY

For analysis purpose, an active carrier is defined as having generated at least one dollar in revenue for household goods shipments wholly within Illinois. For the calendar year 2004, 351 household goods carriers filed an annual report. Forty-seven reported no intrastate household goods activity, resulting in the identification of 304 companies as active intrastate household goods carriers.

- Cook County has the largest number of active movers with 141 companies or 46.4 percent of the industry. Another 61 companies or 20 percent of the 304 active carriers are headquartered in four collar counties: DuPage, Kane, Lake and Will; 23 companies or seven percent are headquartered outside of Illinois, the remaining 27 percent are located throughout the state of Illinois. In fact, 15 counties have only one household goods carrier.
- Moving companies reported employing 10,121 people, generating \$1.4 billion in total for-hire transportation revenue and logging 453 million miles for the year, over 76 thousand miles per truck.
- The total number of vehicles used by active carriers increased 9.6 percent in 2004 with a 16.8 percent increase in the number of trucks used for both intrastate and interstate activity, a 5 percent increase in the number of trucks used only for interstate activity, and less than one percent decrease in the number of trucks used only for intrastate moves.
- Operating ratios averaging 96.5 in 2004 improved 1.5 percent from 98 percent in 2003.
- Licensed movers provide different levels of intrastate moving service. The majority of carriers were involved in interstate moving and not solely dependent on moving household goods within Illinois as a primary source of revenue. 62.7 percent or 220 of the licensed carriers report both interstate and intrastate activity while 23.9 percent or 84 carriers are engaged exclusively in intrastate business activity. Together, 304 companies, or 86.5 percent of the licensed carriers provided some type of intrastate moving services.
- The vast majority of active carriers are small companies. During the year 2004, the majority of active carriers, 68 percent, provided fewer than 500 intrastate shipments of which 64 carriers or 21 percent reported less than 50 intrastate shipments for the year.

- The number of active carriers earning 100 percent of their revenue from Illinois intrastate shipments decreased from 75 in 2001 to 60 in 2002, then rebounded to 78 carriers in 2003 and grew to 84 in 2004.
- With almost 150,000 for-hire household goods shipments within Illinois last year generating approximately \$111.6 million in annual revenue, the average consumer cost was \$745 per move.
- Using the total number of intrastate shipments as a ranking, the top 5 percent of active carriers accounted for approximately 30 percent of all intrastate shipments and 27 percent of all intrastate revenue generated during the year 2004.